

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JITKA M.)	APPEAL NO. 06-A-2075
WISEK- SULLIVAN from the decision of the Board)	FINAL DECISION
of Equalization of Blaine County for tax year 2006)	AND ORDER

VACANT LAND APPEAL

THIS MATTER came on for hearing October 17, 2006, in Hailey, Idaho, before Board Member David E. Kinghorn. Board Member Lyle R. Cobbs also participated in this decision. Appellant Jitka Visek-Sullivan appeared for herself. Assessor Valdi Pace and Appraiser Nina Orick appeared for Respondent Blaine County. This appeal is taken from a decision of the Blaine County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RP006000020060A.

The issue on appeal is the market value of a vacant land parcel.

The decision of the Blaine County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$75,900. Appellant requests the land value be reduced to \$57,500.

The subject property is a .742 acre undeveloped flat lot located in Wooden Hills Subdivision in the East Fork Canyon area of Blaine County. Subject is approximately five (5) miles east of Highway 75.

Appellant argued that sales from subject's subdivision should have been used for the assessment rather than sales from the greater East Fork area. Appellant claimed it was inappropriate to use sales from such a broad area to calculate the trending rate applied to subject.

Appellant also contended the assessment was erroneous because subject was adjacent to two (2) lots with visible remnants of prior mining activity. As a result, Appellant believed

subject was encumbered by building restrictions from the Department of Environmental Quality (DEQ). Appellant claimed the remediation project had not been completed and thus subject's value was negatively affected.

Both parties noted sales in the area were very limited, but Respondent provided two (2) older sales from subject's subdivision. A 1.69 acre parcel sold for \$176,900 in 2000. The lot contained some mining debris and a small structure at the time of sale. The other sale was a .09 acre residential lot that sold in 2003 for \$260,000. Respondent explained the residential structure was re-appraised in 2005 for \$75,620, leaving a residual land value of \$184,380.

As a result of the limited sales in subject's immediate area, Respondent stated that using sales from the greater East Fork area was necessary to examine market activity to determine a trending rate. Using six (6) sales from the area, a 32% trending rate was calculated, which was then used to modify the assessed values of all properties in the East Fork area. Respondent acknowledged the sales were not individually comparable to subject, but together provided an overview of the general market and were therefore appropriate for calculating the trend applied to subject.

Respondent also provided a letter from DEQ that indicated the remediation work in subject's area was completed minus the implementation of "Community Protection Measures to ensure the remedy installed remains in place."

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

In assessing land for the purpose of taxation, Idaho takes the market value approach as defined by Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Respondent provided sales in subject’s subdivision which were used to arrived at subject’s base value. Respondent then applied a trending rate derived from sales in subject’s general area to arrive at the assessment.

Appellant argued the sales were inappropriate because they were from such a broad area and did not possess characteristics similar to subject.

Both parties acknowledged there were very limited sales in subject’s subdivision. In such cases, it is acceptable to look at sales from a wider area to examine market conditions and apply those observations to individual property assessments.

Given the evidence presented in this case, the Board finds no error in Respondent’s assessment method. Absent recent, proximate sales indicating different market conditions in Wooden Hills Subdivision, it appears subject was reasonably assessed. The decision of the Blaine County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Blaine County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

DATED this 6th day of April , 2007.